



**HOUSING AUTHORITY  
of the County of Los Angeles**

Administrative Office

2 Coral Circle • Monterey Park, CA 91755

323.890.7001 • www.lacdc.org

**Gloria Molina**  
**Yvonne Brathwaite Burke**  
**Zev Yaroslavsky**  
**Don Knabe**  
**Michael D. Antonovich**  
Commissioners

**Carlos Jackson**  
Executive Director

**AGENDA  
FOR THE REGULAR MEETING OF THE  
LOS ANGELES COUNTY HOUSING COMMISSION  
WEDNESDAY, SEPTEMBER 22, 2004  
12:00 NOON  
HOUSING AUTHORITY  
12131 TELEGRAPH ROAD  
SANTA FE SPRINGS, CALIFORNIA 90670  
(562) 347-4663**

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**1. Call to Order:**

**2. Roll Call:**

**Treneatra Farmer, Chair**  
**Henry Porter, Vice Chair**  
**Chris Amegatcher**  
**Severyn Aszkenazy**  
**Phillip Dauk**  
**Lynn Caffrey Gabriel**  
**Sharon M.Y. Lowe**  
**Andrew Nguyen**

**3. Reading and Approval of the Minutes of the Previous Meeting:**

Regular Meeting of August 25, 2004.

**4. Report of the Executive Director**

**5. Staff Presentation: Legislative Update – Rebecca Craigo and Tricia Tasto**

**6. Public Comments: The public may speak on matters that are within the jurisdiction of the Housing Commission. Each person is limited to three minutes.**

## **Regular Agenda**

**7. Accept Service Learning Initiative Productivity Investment Funds from the County of Los Angeles Quality and Productivity Commission (ALL DISTRICTS).**

Recommendation: Find that the acceptance of Productivity Investment Funds to implement a two-year program to assist with the coordination, evaluation, and expansion of the Service Learning Initiative at all County Housing Authority sites is exempt from the California Environmental Quality Act (CEAQ), as described herein, because the proposed activities will not have the potential for causing a significant effect on the environment; authorize the Executive Director to accept from the County of Los Angeles Quality and Productivity Commission \$135,000 in Productivity Investment Funds to implement the two-year program described above; and authorize the Executive Director to execute all documents required for receipt of the funds, and to incorporate the funds into the Housing Authority's approved Fiscal Year 2004-2005 budget. (APPROVE)

**8. Approve Employee Medical, Disability and Life Plan Changes (ALL DISTRICTS).**

Recommendation: Approve and authorize the Executive Director to fund, with the Community Development Commission of the County of Los Angeles, the difference between employee contribution and the actual cost of group insurance programs with Kaiser Health Plan, Blue Shield Health Maintenance Organization and Blue Shield Point-of-Service, at an estimated cost of \$575,000, using funds included in the approved Fiscal Year 2004-2005 budget and funds to be approved through the Fiscal Year 2005-2006 budget process for the Housing Authority and Commission. Authorize the Executive Director to replace the employee life and disability plans currently provided by ING with comparable plans provided by MetLife, effective January 1, 2005, and authorize the Executive Director to pay \$22,000 as the first month's premium to MetLife. Authorize the Executive Director to take any and all actions for the purpose described above.

**9. Housing Commissioner Comments and Recommendations for Future Agenda Items.**

Housing Commissioners may provide comments or suggestions for future agenda items.

Copies of the preceding agenda items are on file and are available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at the Housing Authority's main office located at 2 Coral Circle in the City of Monterey Park. Access to the agenda and supporting documents is also available on the Housing Authority's website.

Agendas in Braille are available upon request. American Sign Language (ASL) interpreters, or reasonable modifications to Housing Commission meeting policies and/or procedures, to assist members of the disabled community who would like to request a disability-related accommodation in addressing the Commission, are available if requested at least three business days prior to the Board meeting. Later requests will be accommodated to the extent possible. Please contact the Executive Office of the Housing Authority by phone at (323) 838-5051, or by e-mail at [Marisol.Ramirez@lacdc.org](mailto:Marisol.Ramirez@lacdc.org), from 8:00 a.m. to 5:00 p.m., Monday through Friday.

THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES

MINUTES FOR THE REGULAR MEETING OF THE

LOS ANGELES COUNTY HOUSING COMMISSION

Wednesday, August 25, 2004

The meeting was convened at the Harbor Hills Community Center, 26607 Western Avenue, Lomita, California.

Digest of the meeting. The minutes are being reported seriatim. A taped record is on file at the main office of the Housing Authority.

The meeting was called to order by Chair Treneatra Farmer at 12:15 p.m.

| <b>ROLL CALL</b>     | <b><u>Present</u></b> | <b><u>Absent</u></b> |
|----------------------|-----------------------|----------------------|
| Chris Amegatcher     | X                     |                      |
| Severyn Aszkenazy    | X                     |                      |
| Phillip Dauk         |                       | X                    |
| Treneatra Farmer     | X                     |                      |
| Lynn Caffrey Gabriel | X                     |                      |
| Sharon M.Y. Lowe     |                       | X                    |
| Andrew Nguyen        |                       | X                    |
| Henry Porter, Jr.    | X                     |                      |

Bobbette Glover advised that there was a lack of a quorum at that time, but that Commissioner Aszkenazy would be available by telephone to complete the quorum at the time the agenda is called.

**PARTIAL LIST OF STAFF PRESENT:**

Carlos Jackson, Executive Director  
Bobbette Glover, Assistant Executive Director  
Rebecca Craigo, Director, Assisted Housing Division  
Marie Quon-Hom, Assistant Director, Assisted Housing Division  
Jim Becker, Manager, Assisted Housing Division  
Arlene Black, Manager, Housing Management Division  
Kevin Fulton, Manager, Housing Management Division  
Carolina Romo, Manager, Housing Management Division  
Geoffery Siebens, Manager, Construction Management Division  
Esther Keosababian, Manager, Housing Management Division  
Thomas White, Executive Director, Community Development Foundation

**PARTIAL LIST OF GUESTS PRESENT:**

Rick Velasquez, Assistant Chief Deputy, 4<sup>th</sup> Supervisorial District  
Stacey Roa, Policy Deputy, 4<sup>th</sup> Supervisorial District  
Dave Fisher, Director, Community Development Foundation  
Deputy Tapper, Los Angeles County Sheriff's Department  
Deputy Madrid, Los Angeles County Sheriff's Department

**Reading and Approval of the Minutes of the Previous Meeting**

On Motion by Commissioner Gabriel, seconded by Commissioner Porter, the Minutes of the Regular Meeting of July 28, 2004, were approved.

**Agenda Item No. 4 - Report of the Executive Director**

This report was presented by Carlos Jackson and Bobbette Glover with staff participation.

Bobbette Glover announced the passing of two employees. Tommy Lee Means, Maintenance Worker for the north County public housing sites, succumbed to a gunshot wound in a random shooting incident. Carolyn Hutchinson, Property Supervisor at the Carmelitos housing development, succumbed to cancer. Both employees were memorialized at recent meetings of the Board of Supervisors.

Bobbette Glover introduced Rick Velasquez, Assistant Chief Deputy, and Stacy Roa, Policy Deputy, both of the Fourth Supervisorial District.

Bobbette Glover introduced Kevin Fulton, Area Manager responsible for the Harbor Hills housing development. Mr. Fulton invited everyone to tour the new Community Center after the Housing Commission meeting. The Center has two conference rooms, locker area, two basketballs courts, three childcare rooms and a staff kitchen. There is also space for a community policing team from the Lomita Sheriff's Station. Landscaping was completed by residents and former residents trained by the Housing Authority.

Kevin Fulton, introduced Charmaine Francois, Property Supervisor. Ms. Francois welcomed everyone and gave a brief introduction to the site. Ms. Francois introduced: Ron Herold, Maintenance Supervisor; Deputy Trapper and Deputy Madrid of the Sheriff's Department; and Reggie Snelson, a volunteer worker who was recently recognized by the Board of Supervisors as Volunteer of the Year.

Bobbette Glover introduced Thomas White and Dave Fisher of the Community Development Foundation. Mr. White advised that each year staff contributions provide scholarships for Section 8 Program and Conventional Public Housing Program participants. This year scholarships of \$500 to \$1,500 were awarded to 22 residents. The following recipients were present to receive their scholarship checks: Reyna Avila;

Azareel Campos; Olivia Chea; Vilen Chernyak; Teresa Collins; Abimael Fuentes; Denetha Rigmaiden; and Regina Stevenson.

Bobbette Glover announced that the selection process has started for two new Tenant Commissioners. Another Section 8 Program participant will fill the position vacated by Commissioner Mollinedo. The position to be vacated by Commissioner Amegatcher in May 2005 will be filled by another Conventional Public Housing Program senior resident.

**Agenda Item No. 5 – Quarterly Contract Status Report**

Geoffery Siebens reported that, as requested at the June meeting, the Contract Status Report now includes a new column reflecting the percentage of contingency funds used for each project. Mr. Siebens pointed out that the estimated budget of \$500,000 was inadvertently omitted from the Maravilla electrical systems project report. Due to bid receipt delays and re-evaluation of materials, the project will be re-bid.

**Agenda Item No. 6 – Public Comments**

No members of the public were in attendance

Commissioner Aszkenazy joined the meeting by telephone at 1:15 p.m.

**Regular Agenda**

**On Motion by Commissioner Porter, seconded by Commissioner Severyn Aszkenazy and unanimously carried, the following was approved by the Housing Commission:**

**ADOPTION OF RESOLUTION APPROVING AND CERTIFYING PUBLIC HOUSING  
ASSESSMENT SYSTEM MANAGEMENT OPERATIONS CERTIFICATION  
(ALL DISTRICTS)  
AGENDA ITEM NO. 7**

1. Recommend that the Board of Commissioners adopt and instruct the Chair to sign the attached Resolution approving and certifying the accuracy of information contained in the 2003-2004 Public Housing Assessment System Management Operations Certification (PHAS Certification), presented in substantially final form, which includes management data on 2,960 Conventional Public Housing Program units administered by the Housing Authority.
2. Recommend that the Board of Commissioners authorize the Executive Director of the Housing Authority to sign the PHAS Certification and to submit the Resolution and the PHAS Certification to the U.S. Department of Housing and Urban Development (HUD).

### Prior to Approval

Commissioner Porter requested clarification on the Resolution language that indicates 18,727 as the total number of "turnaround days" that are required to re-rent a housing unit, and 1,511 as the total number of vacancy days that are exempted under the Capital Fund.

Marcia Miranda clarified that the total number of "turnaround days" is the sum of the following three HUD-required categories that relate to the time before a unit is re-rented: 1) the number of days that the unit is vacant, before preparation begins; 2) the unit preparation period; and 3) the time when the unit is ready, but not yet rented. HUD also provides certain exemptions to the "turnaround days" count. Units that are being rehabilitated using Capital Funds are not included in the three categories, and have a separate total. Units can also be exempted for other reasons, such as when a unit is under investigation for insurance, legal or criminal reasons.

**On Motion by Commissioner Gabriel, seconded by Commissioner Porter and unanimously carried, the following was approved by the Housing Commission:**

APPROVE SECURITY SERVICES CONTRACT FOR UJIMA VILLAGE HOUSING  
DEVELOPMENT (2)  
AGENDA ITEM NO. 8

1. Recommend that the Board of Commissioners find that security services to be performed at the Ujima Village housing development, located at 941 East 126<sup>th</sup> Street in unincorporated Los Angeles County, are excluded from provisions of the California Environmental Quality Act (CEQA), because these services do not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve and authorize the Executive Director of the Housing Authority to execute a one-year Contract with Platt Security, Inc., for security services at the Ujima Village housing development, and to use for this purpose \$97,605 in Ujima Village Operating Funds allocated by the U.S. Department of Housing and Urban Development (HUD), to be effective upon Board approval.
3. Recommend that the Board of Commissioners authorize the Executive Director to approve Contract amendments for unforeseen security services needs, in an amount not to exceed \$24,401, using Ujima Village Operating Funds allocated by HUD, and to execute all related documents.
4. Recommend that the Board of Commissioners authorize the Executive Director to extend the Contract for a maximum of two years, in one-year increments, at a cost of \$97,605 per year, using Ujima Village Operating Funds allocated by HUD, and to incorporate the funds into the Housing Authority's approved budget as needed.

Prior to Approval

Commissioner Porter inquired about the "flexible hours" provided under the Contract, and asked whether security officers have the authority to make arrests.

Betsy Lindsay of the Crime and Safety Unit clarified that "flexible hours" means that the daily hours worked by each officer may vary based on security needs, but the total does not exceed the standard 40 hours per week for each officer. Security officers can make private persons' arrests, after which action is handled by law enforcement.

**On Motion by Commissioner Porter, seconded by Commissioner Gabriel and unanimously carried, the following was approved by the Housing Commission:**

**APPROVE CONSTRUCTION CONTRACT TO CONSTRUCT TOT LOT AND REPAIR  
SURFACE DRAINAGE AT THE NUEVA MARAVILLA HOUSING DEVELOPMENT (1)  
AGENDA ITEM NO. 9**

1. Recommend that the Board of Commissioners find that the addition of a "Tot Lot" and correction of a surface drainage problem at the Nueva Maravilla housing development, located at 4919 Cesar E. Chavez Avenue, in unincorporated East Los Angeles, is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the work includes activities that will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve the award of a Construction Contract, in the amount of \$74,500, to Malibu Pacific Tennis Courts Corporation, to complete the construction of a "Tot Lot" and correct a surface drainage problem at the subject property; and authorize the Executive Director of the Housing Authority to execute the Construction Contract, and all related documents, to be effective upon issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board approval.
3. Recommend that the Board of Commissioners authorize the Executive Director to use \$74,500 in Capital Fund Program (CFP) funds allocated by the U.S. Department of Housing and Urban Development (HUD), for the purposes described herein; and authorize the Executive Director to approve contract change orders not exceeding \$14,900 in CFP funds, for unforeseen project costs.



#### Prior to Approval

Commissioner Porter inquired about what provisions are in place to prohibit adults and teenagers from abusing the new equipment.

Bobbette Glover responded that a teen center will be opening soon and this would help to keep the teens occupied and away from the new equipment. Staff will also be working with the community policing deputies to help prevent damage to the area. In addition, there are occupancy rules that require children to be supervised, and rule violations can be grounds for eviction.

Commissioner Farmer inquired about the total capacity of the new "Tot Lot". Geoffery Siebens will report back to the Housing Commission.

#### **Agenda Item No. 10 - Housing Commissioner Comments and Recommendations for Future Agenda Items**

Commissioner Gabriel complimented staff on the excellent appearance of the Harbor Hills development.

Commissioner Porter complemented staff on a job well done on fraud restitution, and asked whether the Housing Authority receives compensation when funds are recovered. Rebecca Craigo responded that compensation is received. Ms. Glover stated that Section 8 Program recipients are removed from the program if fraud is discovered; however, in some cases Conventional Public Housing residents are allowed to stay on the program if funds are re-paid. Commissioner Porter inquired about the use of collection agencies. Ms. Glover responded that collection agencies are used, and staff is currently exploring other collection options.


Commissioner Porter inquired about the future impact on staff and programs as a result of anticipated Section 8 Program funding reductions.

Carlos Jackson responded that deeper cuts are expected, and plans are being made to deal with these reductions. Strategies for controlling expenses with the least negative impact to essential services are being explored, however, it is likely that resident services will suffer. Steps to restrict spending are also being explored.

Commissioner Amegatcher commented on his move from a family unit to a senior unit. He stated that the custom mini blinds that were left in the old unit were later discarded by maintenance staff, and he is now being billed for replacement costs. Mr. Jackson responded that this matter must be resolved with the Nueva Maravilla Management Office.

The next scheduled meeting of the Housing Commission will be held at Noon on Wednesday, September 22, 2004, at the Santa Fe Springs office located at 12131 Telegraph Road, Santa Fe Springs 90670.

On Motion by Commissioner Porter, the Regular Meeting of August 25, 2004, was adjourned at 1:35 p.m.

  
\_\_\_\_\_  
*for* CARLOS JACKSON  
Secretary -Treasurer

## VA/HUD/IA Appropriations Bill FFY 2005

The VA/HUD/IA subcommittee decreased most HUD programs by 4% in order to fund the Section 8 program.

### Section 8

- \$13.303 billion for Section 8 voucher renewals (\$582 million or 4.6% more than FY04; \$1.5 billion or 13% more than president's budget request). NAHRO calls this a "significant increase that gets [PHAs] closer to adequate funding for all vouchers in use during the year". Unfortunately, this increase comes at the cost of reducing funding for most other critical housing and community development programs by more than 4% from FY 04 levels.
- The VA/HUD/IA subcommittee did not include language authorizing the Flexible Voucher Program (FVP), as proposed by the Administration, saying that it is out of their jurisdiction. However, the subcommittee did call on the authorization committees to take necessary action to reform the Section 8 program.
- Furthermore, the FY 05 Appropriations language still continues the practice of renewing annual contributions contracts (ACC) on a "budget" or "dollar" basis, which is along the lines of the FVP, minus the regulatory flexibility.
- The Housing Certificate Fund is eliminated and two new accounts are created to fund tenant- and project-based rental assistance programs: (1) Tenant-Based Rental Assistance and (2) Project-Based Rental Assistance accounts. This new account structure is intended to provide better accountability and oversight of the expenditures in these programs.
- **No central fund.** Rather, PHAs will be funded only for the budget-based renewal of expiring ACCs.
- PHAs are prohibited from over-leasing
- **ACC reserves reduced from one month to one week's worth of funding**
- \$1.162 billion for admin fees (\$48 million or 4% less than FY 04; \$6 million more than budget request)
  - ⇒ Once again, language included allocating these funds on a pro-rata basis based on amount PHAs received in FY 04
  - ⇒ Funds only to be used for activities related to Section 8 voucher program
- \$46 million for FSS (\$2 million less than FY04, but more than president's request of \$0)

### Public Housing

Public housing programs are cut slightly more than 4% below FY 04 levels:

- \$2.58 billion for Capital Fund (\$116 million less than FY 04 and \$0.9 million less than president's request)
- \$3.425 billion for Operating Fund (\$154 million less than FY 04 and \$148 million less than president's request)
- \$143 million for HOPE IV
- Committee did not recommend a \$5 million set-aside for a demonstration program called "Freedom to House", which would allow a select group of 50 PHAs to set rents based on the local rental market, and grant them full fungibility of funding, without the need to get HUD approvals on plans or ask for waivers. The committee encourages the authorization committee of jurisdiction to review this proposal.

### CDBG

- \$4.305 billion for CDBG formula grants, including funding for insular areas (\$33 million or 0.8% less than FY 04)
- \$7 million for Section 108 Loan Guarantee (\$282,000 less than FY 04, but more than president's request of zero)
- \$24 million for Brownfields Redevelopment Initiative (\$853,000 less than FY 04, but more than president's request of zero)

### HOME Investment Partnerships Program

- \$1.776 billion for HOME formula grants (\$80 million or 4.4% reduction from FY 04 levels).
- \$85 million for American Dream Downpayment Initiative (about \$2 million less than FY 04 and \$115 million less than president's request).



**COMMUNITY DEVELOPMENT COMMISSION  
of the County of Los Angeles**

2 Coral Circle • Monterey Park, CA 91755  
323.890.7001 • www.lacdc.org • TTY: 323.838.7449



**Carlos Jackson**  
Executive Director

**Gloria Molina**  
**Yvonne Brathwaite Burke**  
**Zev Yaroslavsky**  
**Don Knabe**  
**Michael D. Antonovich**  
Commissioners

**FAXED**  
9-14-04

September 13, 2004

**FOR YOUR INFORMATION ONLY**

The Honorable Howard P. "Buck" McKeon  
United States House of Representatives  
2351 Rayburn House Office Building  
Washington, DC 20515-0525

Dear Congressman McKeon:

**FY 2005 VA, HUD, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT**

On behalf of the Los Angeles County Community Development Commission (CDC), the Housing Authority of the County of Los Angeles (HACoLA), and the millions of persons we serve in unincorporated County areas and participating cities, I am writing to seek your support and assistance with funding for critical housing and community development programs under the FY 2005 VA, HUD and Independent Agencies Appropriations Act.

We are very concerned with the Act's funding reductions approved by the House Appropriations Committee to housing and community development programs essential to the County. CDC and HACoLA recognize the very tight budget constraints Congress faces and wants to assure you that the programs we are advocating for will provide long-term and lasting benefits beyond the original investment.

Below, please find the programs of critical interest to the CDC and HACoLA:

Section 8 – Support proposals to fund and renew all existing Section 8 vouchers and oppose a budget-based voucher renewal formula. Oppose reductions in administration fees and restore their structure and flexibility. Serving 20,171 families, HACoLA is one of the largest public housing authorities administering the Section 8 Program. Using a budget-based formula, rather than a unit-based (or market-based) approach for renewing Section 8 vouchers would have dire consequences for our families in Southern California where the housing rental market is higher than most places in the country. We may be forced to reduce current subsidy levels and require families to pay more of their income for rent, or terminate assistance altogether for families to stay within funding limits.



**Public Housing Operating Fund – Support \$3.8 billion.** The Operating Fund is the only source available to cover the gap between the rents paid by families and the actual costs of providing quality affordable housing.

**Public Housing Capital Fund – Support \$3.5 billion.** The Capital Fund provides funding for essential modernization and rehabilitation activities at 2,962 housing units across Los Angeles County, including areas such as East Los Angeles, Long Beach, Lomita, and South Los Angeles. Cuts to the Capital Fund will prohibit the HACoLA from preserving its public housing stock and building better communities for low- and moderate-income families.

**Community Development Block Grant (CDBG) Program - Support \$5.05 Billion for the CDBG formula allocation, which would ensure funding for existing entitlement communities and accommodate the addition of 80 new communities.** The CDBG program is vital to the County, helping us revitalize low-income communities through attracting and retaining businesses and creating and increasing local employment opportunities. In Los Angeles County, CDBG dollars have been used to create hundreds of jobs, provide loans and technical assistance to over 5,000 businesses, provide assistance to over 3,000,000 individuals in unincorporated areas and participating cities in the County, create over 2,400 units of affordable housing and over 3,000 new homeownership units, and rehabilitate close to 10,000 housing units.

**Section 108 and Brownfield Economic Development Initiative (BEDI) Program - Support \$282.3 million for the Section 108 Loan Guarantee Program (including an operating budget of \$7.3 million) and \$25 million for BEDI.** The Section 108 Loan Guarantee Program and BEDI program are two (2) of the most important economic development programs offered by HUD. The Section 108 Loan Program provides gap financing required for completing new economic development projects as well as improvements to critical community facilities; and the BEDI program supports a wide variety of projects, including developments with a strong business attraction, expansion and/or retention component, and new employment opportunities.

**HOME Investment Partnerships Program – Support \$2.25 billion.** The HOME program is a valuable asset for the County, leveraging additional resources to increase local homeownership rates and combat the County's affordable housing shortage.


**Safety and Security – Support \$310 million.** This funding makes a major difference to our housing residents. From 1990 through 2002, under the Public Housing Drug Elimination Program, HACoLA experienced a 67% reduction in criminal activity. Without continued safety and security funding our communities become vulnerable, once again, to criminal activity.

The Honorable Howard P. "Buck" McKeon  
September 13, 2004  
Page Three

**Resident Opportunities and Self-Sufficiency (ROSS) program – Support \$55 million.** Through the ROSS program, HACoLA helps lead residents towards economic self-sufficiency.

Thank you for your leadership and assistance in preserving critical funding for our housing and community development programs. If you need additional information, please contact Tricia Tasto, Manager, Intergovernmental Relations Unit, at (323) 890-7182, or our Washington, DC advocate, Eve O'Toole, at (202) 833-0007.

Sincerely,

  
CARLOS JACKSON  
Executive Director

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**Executive Summary of Housing Authority of County of Los Angeles (HACoLA)  
AAF Appeal to HUD**

HACoLA's AAF appeal package is inclusive of all HUD requirements for the appeal and completed in accordance with all HUD information requests.

Following is a brief description:

HACoLA first calculated an adjusted AAF of 6.4%, increased from 5.6%, based on current CPI data. HACoLA used current versions of the same data sets HUD originally used to calculate the AAF. HUD had based the original AAF calculation on 2002 over 2001 annual change data. Thus, by now - July 2004 - the data is already aged by over a year and a half. By using this historical change data, HUD has adopted a methodology known as "trending." In HACoLA's report they explain that trending is of limited usefulness in calculating shelter rent increase factors (total rent less utilities) and is an unacceptable procedure for calculating utility change factors.

HACoLA followed a series of formulas adopted by HUD to calculate the AAF. They took rental increases in the Los Angeles metro region, removed the utility portion of the rent increase (to arrive at shelter rent) and then took a weighted average of shelter rent and utility costs to arrive at the AAF. HACoLA used HUD's numbers wherever possible. If HUD's numbers were proprietary, HACoLA calculated the numbers in a similar manner to arrive at virtually the same result. There were no major ambiguities in the data, so the 6.4% increase that was calculated would be virtually the same as if HUD had calculated the number using today's data instead of 2002 over 2001 annual change data.

HACoLA next calculated an adjusted AAF of 9.9%, increased from 6.4%, based on localized data. They explained that the CPI data HUD uses misrepresents Los Angeles' increase factors because it includes data from surrounding counties. If the surrounding counties included in the CPI are experiencing inflation increase factors less than Los Angeles, the inclusion of those increase factors in the CPI data used by HUD results in Los Angeles' AAF being less than it should be. HACoLA used a summary of the rent reasonableness survey to determine the year over year actual shelter rent increase factor finite to Los Angeles County. They then used the same formulas they had used above to calculate the AAF of 9.9%.

Based on 20,292 leased units, an increase from 5.6% to 6.4% should provide the HACoLA with \$1,238,715 in increased funding. An increase to 9.9% should provide HACoLA with \$6,658,091 in increased funding.

HACoLA is appealing to HUD for a minimum of \$1,238,715 (based on increase to 6.4%) and maximum of \$6,658,091 (based on increase to 9.9%).



**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
WASHINGTON, DC 20410-5000

ASSISTANT SECRETARY FOR  
PUBLIC AND INDIAN HOUSING

CA002  
CARLOS JACKSON  
COUNTY OF LOS ANGELES HOUSING AUTH.  
2 S CORAL CIRCLE  
MONTEREY PARK CA, 91755-7404

Dear Executive Director:

Your appeal for an increase in the Annual Adjustment Factor (AAF) used in the calculation of contract renewal funding for your agency has been approved. Please note that due to a limitation of funding available, your appeal was prorated at 97%. The Department will obligate \$ 3,809,632 for increased costs in housing assistance payments not reflected in the HUD determined Fiscal Year (FY) 2004 AAF. The funding is available for the period of January 1 through December 31, 2004.

You will receive a separate notification letter and amendment to the Annual Contributions Contract (ACC) by September 15. The notification will provide instructions that explain what you must do to request the additional funding.

Thank you for your patience during this process.

Sincerely,

William O. Russell, III  
Deputy Assistant Secretary  
Office of Public Housing and Voucher Programs



**Housing Authority - County of Los Angeles**

September 22, 2004

**FOR YOUR INFORMATION ONLY**

TO: Housing Commission

FROM: Rebecca L. Graigo, Director  
Assisted Housing Division

**SUBJECT: THE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM**

**FSS Program Update**

For the month of August, FSS staff processed 23 new applications received over the last 5 months from Section 8 Housing Choice Voucher (HCV) participants. Additionally, FSS received 30 applications from Section 8 HCV participants and 4 from public housing residents. The new applications will be processed within the next 60 days.

On August 21, 2004, FSS participated in the *1<sup>st</sup> Annual Nueva Maravilla Health and Junior Olympics* at Maravilla's housing site in East Los Angeles. Two hundred and twenty-five youths participated in this event, which focused on encouraging and supporting the youth of East Los Angeles and teaching them how to embrace a physically fit and healthy lifestyle. FSS was one of 10 agencies that operated a resource booth and handed out packages of healthy snacks to youths while speaking to them on the benefits of good health and education. FSS was awarded a certificate of recognition from California Senator Gloria Romero in honor of its participation and contribution to the *1<sup>st</sup> Annual Nueva Maravilla Health Junior Olympics*.

**Graduations**

There were no graduates this month. The total number of graduates to date is 120.

If you have any questions, please call me at (562) 347-4880.

RLC:MF:CL:dt  
Commissionerreport0804



**HOUSING AUTHORITY  
of the County of Los Angeles**

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*Commissioners*

**Carlos Jackson**  
*Executive Director*

September 22, 2004

Honorable Housing Commissioners  
Housing Authority of the  
County of Los Angeles  
2 Coral Circle  
Monterey Park, California 91755

Dear Commissioners:

**ACCEPT SERVICE-LEARNING INITIATIVE PRODUCTIVITY INVESTMENT FUNDS  
FROM THE COUNTY OF LOS ANGELES QUALITY AND PRODUCTIVITY  
COMMISSION (ALL DISTRICTS)**

**IT IS RECOMMENDED THAT YOUR COMMISSION:**

1. Recommend that the Board of Commissioners find that the acceptance of Productivity Investment Funds to implement a two-year program to assist with the coordination, evaluation, and expansion of the Service-Learning Initiative at all County Housing Authority sites is exempt from the California Environmental Quality Act (CEQA), as described herein, because the proposed activities will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners authorize the Executive Director to accept from the County of Los Angeles Quality and Productivity Commission \$135,000 in Productivity Investment Funds to implement the two-year program described above; and authorize the Executive Director to execute all documents required for receipt of the funds, and to incorporate the funds into the Housing Authority's approved Fiscal Year 2004-2005 budget.
3. Recommend that the Board of Commissioners authorize the Executive Director to prepare and execute contracts with Service-Learning facilitators and an evaluator, in a combined total amount not to exceed \$135,000, to assist in coordination, evaluation, and expansion of the Service-Learning Initiative, in accordance with County requirements, following approval as to form by County Counsel.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:**

The purpose of this action is to authorize the Housing Authority to accept from the Quality and Productivity Commission \$135,000 in Productivity Investment funds to assist with the coordination, evaluation, and expansion of the Service-Learning Initiative, which brings college students to Housing Authority sites to assist residents with such activities as tutoring, job training, computer literacy, and senior life issues.

**FISCAL IMPACT/FINANCING:**

There is no impact on the County general fund.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

In 2002, the Housing Authority developed a resident services program called the Service-Learning Initiative, which is an opportunity for college students to provide community service in their field of study at Housing Authority public housing sites, while earning academic credit. College students assist public housing residents with such activities as tutoring, job training, computer literacy, and senior life issues. The Housing Authority has now partnered with nine colleges and universities to create a countywide collaboration with public housing developments.

On August 10, 2004, the County's Quality and Productivity Commission approved \$135,000 in funds to assist with the coordination, evaluation, and eventual expansion of the Service-Learning Initiative. Service-Learning has grown tremendously since its inception in 2002, resulting in a need for increased regional coordination and a thorough evaluation. These funds will be used to contract with five part-time Service-Learning Facilitators and with a Service-Learning Evaluator, as there is a need to measure the impact of Service-Learning on public housing residents.

The Service-Learning Facilitators will coordinate the services for 67 housing developments, which includes all but one County Housing Authority site, the Carmelitos housing development in Long Beach. The Carmelitos Service-Learning program is being funded separately through other federal and private grants.

The Service-Learning evaluation would cover all 68 housing developments. The evaluation method would meet the requirements of the County's Performance Counts! initiative and of the participating colleges and universities. The results of this evaluation will be used to guide the planning of Service-Learning development and the creation of a replicable model for expansion of this program to other County departments.

This letter has been reviewed by County Counsel.

**ENVIRONMENTAL DOCUMENTATION:**

This project is exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations Part 58, Section 58.34 (a)(4) because it involves public service activities that will not have a physical impact or result in any physical changes to the environment. It is also exempt from the provisions of CEQA pursuant to State CEQA Guidelines 15061 (b)(3) because CEQA applies only to projects that have the potential for causing a significant effect on the environment.

**IMPACT ON CURRENT PROGRAMS:**

The funds will enable the Housing Authority and participating colleges and universities to continue to serve public housing families and seniors through the Service-Learning Initiative, and to create a replicable model for use by other County departments.

Respectfully submitted,

CARLOS JACKSON  
Executive Director

CJ:county PIF-HC



**HOUSING AUTHORITY  
of the County of Los Angeles**

Administrative Office  
2 Coral Circle • Monterey Park, CA 91755  
323.890.7001 • [www.lacdc.org](http://www.lacdc.org)

**Gloria Molina**  
**Yvonne Brathwaite Burke**  
**Zev Yaroslavsky**  
**Don Knabe**  
**Michael D. Antonovich**  
*Commissioners*

**Carlos Jackson**  
*Executive Director*

September 22, 2004

Honorable Housing Commissioners  
Housing Authority of the  
County of Los Angeles  
2 Coral Circle  
Monterey Park, California 91755

Dear Commissioners:

**APPROVE EMPLOYEE MEDICAL, LIFE, AND DISABILITY PLAN CHANGES  
(ALL DISTRICTS)**

**IT IS RECOMMENDED THAT YOUR COMMISSION:**

1. Approve and authorize the Executive Director of the Housing Authority to fund, with the Community Development Commission, the difference between Commission employee contributions and the actual cost of group insurance programs, for the 2005 calendar year, with Kaiser Health Plan (Kaiser), Blue Shield Health Maintenance Organization (HMO) and Blue Shield Point-of-Service (POS), at an estimated cost of \$573,000, using funds included in the approved Fiscal Year 2004-2005 budgets of the Housing Authority and Commission and funds to be approved through the Fiscal Year 2005-2006 budget process.
2. Authorize the Executive Director to replace the employee life and disability plans, currently provided by ING, with comparable plans provided by MetLife, at an estimated cost of \$264,000 for the 2005 calendar year; authorize the Executive Director to pay \$22,000 as the first month's premium to MetLife; and authorize the Executive Director to use for these purposes funds included in the approved Fiscal Year 2004-2005 budgets of the Housing Authority and Commission, and funds to be approved through the Fiscal Year 2005-2006 budget process.
3. Authorize the Executive Director to execute contracts and contract amendments with the above firms for the purposes described herein, to be effective January 1, 2005, following review by County Counsel.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:**

The purpose of the recommended action is to provide Commission employees, during the 2005 calendar year, affordable medical insurance coverage that is comparable with the plans offered to County employees. The current plans end on December 31, 2004.

**FISCAL IMPACT/FINANCING:**

The Commission and Housing Authority's medical insurance subsidy cost is estimated to be \$573,000 for January 1, 2005 through December 31, 2005.

Changing the life and disability insurance provider from ING to MetLife will provide a savings of approximately \$84,563 in 2005. MetLife requires a deposit of \$22,000 to establish an account and prepare open enrollment materials. This amount is equivalent to one-month's premium and will be applied toward the premium of January 2005. The estimated total annual cost for this coverage is \$264,000.

The current Fiscal Year 2004-2005 budgets of the Commission and Housing Authority will support the proposed cost for the medical and life and disability plans for the period January through June 2005. The Fiscal Year 2005-2006 budgets of the Commission and Housing Authority, to be presented to your Board during the annual budget process, will include funding for the remaining cost.

The Board of Commissioners of the Housing Authority must approve the plan changes, because Housing Authority funds will be used to pay a portion of the benefits for Commission personnel performing Housing Authority functions.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

The Commission currently offers its employees medical plan options through Kaiser, Blue Shield HMO, and Blue Shield POS programs. The same medical plan types and carriers will be retained in 2005.

Each employee's monthly medical plan contribution will increase by approximately nine percent on January 1, 2005, which will contribute to the funding of these plans. The Monthly Employee Contribution for 2005 Medical Coverage is attached.

The Commission currently provides a \$5,000 life insurance plan and a 60-percent-of-pay disability plan to each employee through ING. However, the cost of providing this coverage escalated during the last two years. As a result, the Commission compared ING's coverage to similar plans offered by three other insurance companies, Assurant, Jefferson Pilot and MetLife. MetLife was selected to replace ING because of its good

financial standing and because it provides the best coverage at a competitive rate. The change from ING to MetLife will provide a savings to the Commission and Housing Authority of approximately \$84,563 in 2005. Furthermore, MetLife will provide a fixed premium rate for three years on the life insurance plan and two years on the disability plan.

County Counsel has reviewed this letter.

**IMPACT ON CURRENT PROGRAM:**

The recommended action is consistent with the principle of promoting the well being of Commission employees and their families by continuing to offer comprehensive employee benefits.

Respectfully submitted,

  
CARLOS JACKSON  
Executive Director

CJ:2005 Open Enrollment

Attachment: 1

## Attachment A

### Monthly Employee Contribution for 2005 Medical Coverage\*

#### Kaiser HMO

|                |          |
|----------------|----------|
| Employee Only  | \$213.60 |
| Employee + One | \$399.60 |
| Family         | \$495.50 |

#### Blue Shield HMO

|                |          |
|----------------|----------|
| Employee Only  | \$197.10 |
| Employee + One | \$397.20 |
| Family         | \$533.80 |

#### Blue Shield Point-of-Service (POS)

|                |          |
|----------------|----------|
| Employee Only  | \$319.40 |
| Employee + One | \$659.80 |
| Family         | \$900.30 |

\*Monthly employee contribution is the employee cost after the subsidy is applied to the actual plan cost.